

FISCAL NOTE

SB 3078 - HB 3390

March 8, 2004

SUMMARY OF BILL: Enacts the *Charitable Gaming Act* which would allow a 501(c)(3) organization to hold an annual fundraising event that included such games of chance as raffles, reverse raffles, duck races or similar games and cake walks. In order to hold such event, an organization must do the following:

- Agree, as shown by a vote of the board of directors, to hold an annual event and make a record of the vote;
- Request from and pay fees to the TBI to perform background checks on certain persons involved in the annual event;
- Provide certain information to each House and Senate sponsor and/or an office of the General Assembly designated to receive such information;
- Obtain approval from two thirds of the members of the General Assembly;
- Provide notice of the event to the local District Attorney and Sheriff at least 30 days before the event;
- Prepare a financial statement of event receipts and payments within 30 days of the event;
- Pay cash prizes by check;
- Use 60% of gross proceeds for charitable purposes;
- Keep and maintain accurate records for at least eight years.

Failure to use event funds for the purposes described by the organization shall be punishable as theft as provided by TCA 39-14-105. Any other violation of the provisions of this bill is punishable as a Class A misdemeanor.

ESTIMATED FISCAL IMPACT:

Increase State Revenues - \$100,000 1st Year

\$48,000 2nd Year & thereafter

Increase State Expenditures - \$100,000 1st Year

\$48,000 2nd Year & thereafter

\$3,325 Incarceration*

Increase Local Govt. Revenues - Not Significant

Increase Local Govt. Expenditures - Not Significant

Estimate assumes:

- the TBI will perform background checks and collect fees from approximately 2,500 persons in the first year and approximately 1,200 person in the second year and thereafter. This information is based on analysis from the State of Georgia.

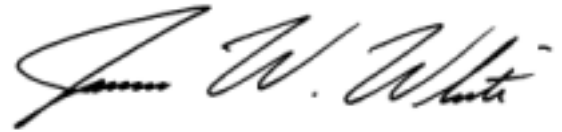
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- one felony conviction every three years.
- impact depends upon the number of persons convicted of this offense and the resulting increased cost to local governments to confine such persons versus the increased revenues to local governments from fines levied and collected under the provisions of this bill.

**Section 9-4-210, TCA, requires that: For any law enacted after July 1, 1986, which results in a net increase in periods of imprisonment in state facilities, there shall be appropriated from recurring revenues the estimated operating cost of such law. The amount appropriated for operating cost, in current dollars, shall be based upon the highest cost of the next 10 years, beginning with the year the additional sentence to be served impacts the correctional facilities population.*

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "James W. White". The signature is fluid and cursive, with the first name "James" written in a smaller, more compact script than the last name "White".

James W. White, Executive Director